

eSpeed, Inc. and Subsidiaries
RECONCILIATION of NON-GAAP FINANCIAL MEASURES TO GAAP (unaudited)
(in thousands)

	Three Months Ended		Year Ended December 31,	
	December 31,		2004	2003
	2004	2003	2004	2003
Revenues	\$ 39,255	\$ 39,223	\$ 166,509	\$ 156,615
GAAP revenues	<u>\$ 39,255</u>	<u>\$ 39,223</u>	<u>\$ 166,509</u>	<u>\$ 156,615</u>
Operating expenses	\$ 31,422	\$ 24,732	\$ 115,789	\$ 100,525
Amortization of business partner and non-employee securities [a]	134	452	856	2,167
Charitable contribution Re: 9/11 [b]	-	-	339	687
Litigation costs [c]	950	-	950	-
Asset impairment charges [d]	6,268	-	6,268	-
GAAP expenses	<u>\$ 38,774</u>	<u>\$ 25,184</u>	<u>\$ 124,202</u>	<u>\$ 103,379</u>
Pre-tax operating income	\$ 7,833	\$ 14,491	\$ 50,720	\$ 56,090
Sum of reconciling items = - [a] - [b] - [c] - [d]	(7,352)	(452)	(8,413)	(2,854)
GAAP income before income tax provision	<u>\$ 481</u>	<u>\$ 14,039</u>	<u>\$ 42,307</u>	<u>\$ 53,236</u>
Income tax provision	\$ 2,871	\$ 5,659	\$ 19,638	\$ 17,982
Income tax benefit on non-operating loss [e]	(2,768)	(177)	(3,181)	(842)
GAAP income tax provision	<u>\$ 103</u>	<u>\$ 5,482</u>	<u>\$ 16,457</u>	<u>\$ 17,140</u>
Net operating income	\$ 4,962	\$ 8,832	\$ 31,082	\$ 38,108
Sum of reconciling items = -[a] - [b] - [c] - [d] - [e]	(4,584)	(275)	(5,232)	(2,012)
GAAP net income	<u>\$ 378</u>	<u>\$ 8,557</u>	<u>\$ 25,850</u>	<u>\$ 36,096</u>